

May 7, 2021

Via E-Mail and Regular Mail

Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888
Attention to: Luly Massaro, Clerk

***Re: Woonsocket Water Division – Docket No. 5022
In Re: Suspension of Service Terminations and Certain Collection Activities During the
COVID-19 Emergency [Spring 2021 Update]***

Dear Luly:

On behalf of the City of Woonsocket, Water Division (“WWD”), attached please find an original and nine (9) copies of WWD’s responses to the Commission’s COVID-19 related questions in connection with the above-mentioned docket.

Please let me know if there are any questions concerning the enclosed.

CITY OF WOONSOCKET WATER DIVISION

By its Attorneys,

/s/ Alan M. Shoer
Alan M. Shoer (#3248)
Christine M. DiBiase (#9634)

Enclosures

cc: Service List

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

**IN RE: SUSPENSION OF SERVICE TERMINATIONS :
AND CERTAIN COLLECTIONS ACTIVITIES : DOCKET NO. 5022
DURING THE COVID-19 EMERGENCY :**

**CITY OF WOONSOCKET, WATER DIVISION (WWD) RESPONSES
TO THE PUBLIC UTILITIES COMMISSION'S DATA REQUESTS ON THE
QUANTIFICATION OF WAIVED FEES
SPRING 2021 UPDATE
(Issued April 15, 2021)**

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| PUC 1: | Does WWD typically charge late fees to customers? If so, please provide the tariff reference and the types of customers to whom the late fee applies. |
| WWD 1: | NO. (Update) WWD still does not charge a late fee. |
| Respondent: | David G Bebyn, CPA |
| Date: | May 7, 2021 |

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| PUC 2: | Does WWD typically charge interest on overdue balances to customers? If so, please provide the tariff reference and the types of customers to whom the interest charge applies. |
| WWD 2: | Yes, Docket No. 4879, under the miscellaneous charges. The tariff references “Bills delinquent after 30 days from the due date of the bill will accrue interest at the rate of 1.5% beginning from the due date of the bill.” applies to all customers. (Update) Woonsocket Water however has ceased charging the interest fees to comply with the Commission’s Order dated June 1st. |
| Respondent: | David G Bebyn, CPA |
| Date: | May 7, 2021 |

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| PUC 3: | Does WWD typically pass through to the user the so called “convenience fees” associated with paying with credit cards or debit cards? |
| WWD : | <p>During the WWD first response the answer was yes, the “convenience fees” associated with paying with credit cards and debit cards are paid by the user.</p> <p>(Update) Currently WWD cannot accept credit card fees since WWD is in the process of getting a new third party payment processor. The former payment processor software began conflicting with the City’s OPAL accounting system. The City at this time is not able process tax and utility payments.</p> |
| Respondent: | David G Bebyn, CPA |
| Date: | May 7, 2021 |

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| PUC 4: | Does WWD typically pass through to the user the so called “convenience fees” associated with paying with an ACH/electronic check? |
| WWD : | No, Woonsocket Water does not accept ACH/electronic checks. (Update) WWD still does not accept ACH/electronic checks. |
| Respondent: | David G Bebyn, CPA |
| Date: | May 7, 2021 |

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| PUC 5: | Does WWD intend to seek recovery of the costs associated with the absorption of the applicable fees? |
| WWD 5: | <p>Woonsocket Water will not be seeking recovery of the costs associated with the absorption of convenience fees, because those fees are paid by the user.</p> <p>(Update) After responding to the October 2020 Data request WWD had to refund those costs thus in the end absorbed the costs. WWD would be receptive to request those lost costs, if the Commission allows for such recovery. WWD is in the middle of a multi-year rate plan which could be used to allow for this recovery if allowed.</p> |
| Respondent: | David G Bebyn, CPA |
| Date: | May 7, 2021 |

If the utility answered no to each of the preceding four questions, they can stop here. There is nothing more for the Commission to consider at this time. If the utility answered yes to one or more of the questions, please continue.

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| PUC 6: | Please indicate the date upon which WWD ceased charging customers for late fees, interest fees, credit card/debit card payment fees, or ACH/check fees (please list each separately, even if the date is the same) as a result of the Commission's decision. |
| WWD 6: | <p>Late Fees: Not applicable (Update) No change</p> <p>Interest Fees: Woonsocket Water only bills on a quarterly basis. The first available billing cycle to cease charging the interest fees to comply with the Commission's decision for June 1st would have been the June 2020 quarterly billing. That billing cycle however still had inadvertently included the calculation of late fees. Woonsocket Water is correcting this oversight by crediting those accounts in the September quarterly bill and the calculation will be shut off for that September cycle. (Update) Interest fees are still shut off since the September cycle</p> <p>Credit card/debit card payment fees: Woonsocket's credit card payments are processed by a third party vendor. To date the Third party vendor is still charging the customers directly. Woonsocket Water as a result is crediting this fee back on subsequent billings. (Update) WWD had tried to have the third party payer shut off the fees for the Water accounts but would have had to shut down the unregulated sewer utility collections as well as water. As a result, the city had shut down credit card collections for utility payments. Subsequently the City is in the process of replacing their third party payments service since software compatibility issues have arisen with the current vendor with prevents the City receiving any credit card payments for both taxes and utility bills.</p> <p>ACH/Check fees: Not applicable (Update) No change</p> |
| Respondent: | David G Bebyn, CPA |
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| PUC 7: | <p>Utilities only collect late fees and interest fees on accounts for which payments are made. Similarly, credit card/debit card fees and ACH/electronic check fees are only absorbed by the utility under the PUC's order if payments are made. For the period commencing on the date provided in response to number 5 through the most recent date available (identify the date), please provide the following:</p> <ol style="list-style-type: none"> a. The total number of accounts on which payments were made. b. The number of accounts where payments were made and interest and/or late fees were waived. c. The number of accounts where payments were made by credit card/debit card. d. The number of accounts where payments were made by ACH/electronic check. e. The dollar amount of credit card/debit card fees absorbed by the utility that would have otherwise been assessed to the customer paying with a credit card/debit card. f. The dollar amount of ACH/electronic check absorbed by the utility that would have otherwise been assessed to the customer paying through ACH/electronic check. g. The dollar amount of waived late fees on accounts where payments were made. h. The dollar amount of waived interest fees on accounts where payments were made. If the response is that the dollar amount cannot be determined but the utility will seek cost recovery, please explain how the utility would quantify the amount to be recovered and meet a reasonable burden of proof. |
| WWD 7: | <ol style="list-style-type: none"> a. 8154 accounts between June 01 thru September 30 (Update) a total of 8,991 individual accounts have made payment thru April 30, 2021. b. between June 1 and Sept 30 there were only 30 accounts that paid interest for the June 2020 billing. (Update) after September 30th an additional 66 accounts had paid interest. In all cases all of these fees have been waived by billing corrections. There was a total of \$13,759.24 of interest paid between June 1 and Sept 30th for all billings and only \$158.91 of that amount was for the June 2020 billing, c. There was a total of approximately 1,175 accounts which paid credit card fees between 6/1 and 9/30. (Update) after September 30th an additional 113 accounts had paid credit card fees. In all cases all of these fees have been waived by billing corrections. d. 0. |

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| | <p>e. There was a total of approximately \$6,877 in credit card fees paid between 6/1 and 9/30. As mentioned in the response to WWD-6, these fees will be credited back to the ratepayers in a subsequent billing. (Update) after September 30th an additional \$957 in credit card fees paid. In all cases all of these fees have been waived by billing corrections.</p> <p>f. 0 (Update) no change.</p> <p>g. 0 (Update) no change</p> <p>h. There was a total of \$13,759.24 of interest paid between June 1 and Sept 30th for all billings and only \$158.91 of that amount was for the June 2020 billing. Since the fee was no longer calculated by the software the exact amount to waive could not be determined beginning with the September billing cycle. WWD would quantify the costs by estimating the loss by using a 3 year average of the annual late fee interest revenue. Each cycle bills an average \$29,000 interest charges per quarterly billing cycle (using a three year average of FY 17, 18 & 19) thus Woonsocket will be absorbing around \$87,000 in interest fees from the Sept 20, Dec 20 and March 21 billing cycles. WWD would be receptive to request recovery of those lost costs if the Commission allows for such recovery. WWD is in the middle of a multi-year rate plan which could be used to allow for this recovery if allowed.</p> |
| Respondent: | David G Bebyn, CPA |
| Date: | May 7, 2021 |

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| PUC 8: | Please indicate the first date WWD sent termination notices to customers with dates not affected by a Commission decision (in other words, the utility could follow through with a physical termination on or after the notice period if payment or a payment arrangement was not made). Please break out by customer class if applicable. |
| WWD 8: | No termination notices were sent with dates not affected by a Commission decision. (Update) WWD still has not sent any termination notices to date. |
| Respondent: | David G Bebyn, CPA |
| Date: | May 7, 2021 |

CITY OF WOONSOCKET, WATER
DIVISION
By its Attorneys,

/s/Alan M. Shoer

Alan M. Shoer, Esq. (#3248)
Adler Pollock & Sheehan P.C.
One Citizens Plaza, 8th Floor
Providence, RI 02903-1345
Tel: 401-274-7200
Fax: 401-751-0604
Dated: May 7, 2021

CERTIFICATE OF SERVICE

I hereby certify that on May 7, 2021, I delivered a true copy of the foregoing responses to the **Commission's Data Requests on the quantification of waived fees (Spring 2021 Update) via electronic mail** to the parties in the Commission's service list for this docket.

/s/ Alan M. Shoer